

FAQs for 2010-2012 Benefits Package

1. When will the new benefits take effect?

The new benefits package will begin January 1, 2010.

2. Is it too late to earn “gold” for 2010?

Yes. The county extended the deadline to take the wellness assessment and qualify for gold to March 22, 2009. Any employee or spouse/domestic partner who took the wellness assessment on-line by March 22 and completes an individual action plan by June 30, 2009 will qualify for the gold out-of-pocket expense level for 2010.

3. What is a deductible?

The “annual deductible” is the amount you must pay each year toward covered expenses before your health plan begins paying. There are no deductibles in the Group Health plan.

In the KingCareSM plan the deductible doesn't apply to certain covered services and supplies, including prescription drugs (which require copays), preventive care and hearing aids. You will see two numbers for deductibles in the KingCareSM plan—one for individuals and one for families. Each person covered in the plan pays the individual deductible. However when three or more people in the same family are covered (including the employee) the most the family will pay for deductibles is three times the individual amount.

4. What is coinsurance?

After you have met your annual deductible, you begin paying a percentage— “coinsurance”— of the allowed amount for most medical services and supplies until you reach the annual out-of-pocket maximum. For example, in the KingCareSM gold plan you pay 15 percent and the plan pays 85 percent of the cost of your claims when you get services from in-network providers. Coinsurance doesn't apply to prescription drugs. See also “copay” below.

5. What is copay and how is it different from coinsurance?

A “copay” is a fixed amount you pay at the time a covered service is received. Coinsurance is a percentage of the cost. In the KingCareSM plan you pay copays for prescription drugs at the time you receive your prescription. Copays don't apply to medical services other than emergency room care.

Group Health has copays for office visits, inpatient hospital stays and prescription drugs. There are a few special services that require a coinsurance in the Group Health plan.

6. How does the annual out-of-pocket maximum work?

Group Health: In the Group Health plan, the “annual out-of-pocket maximum” is the most you pay in **copays** for covered medical expenses each year. Once you reach the annual out-of-pocket maximum, Group Health pays 100% for most covered expenses (except prescription drugs) for the rest of that year. If you have three or more covered dependents (including yourself), each dependent's covered expenses accumulate toward the family out-of-pocket maximum. Once your family has paid the family out-of-pocket maximum, no one in the family will pay more for copays for medical services for the rest of the year. Copays for prescription drugs are not included in the annual out-of-pocket maximum.

KingCareSM: In the KingCareSM plan “annual out-of-pocket maximum” is the most you pay in **coinsurance** for covered medical expenses each year. Once you reach your annual out-of-pocket maximum, KingCareSM pays 100% for most covered expenses for the rest of that year. If you have three or more covered dependents (including yourself), each dependent’s covered expenses accumulate toward the family out-of-pocket maximum. Once your family has paid the family out-of-pocket maximum, no one in the family will pay more for coinsurance for the rest of the year. Copays for prescription drugs are not included in the annual out-of-pocket maximum.

7. What is the difference between the annual out-of-pocket maximum for medical claims and the annual out-of-pocket maximum for prescription drugs?

An important **new feature** in the KingCareSM plan is an annual out-of-pocket maximum for prescription drugs. Once you have paid \$1,500 in prescription copays in a year, KingCareSM will pay 100 percent of your prescription drug costs for the rest of the year. The family out-of-pocket maximum for prescription drugs is \$3,000.

8. How can I reduce my costs for prescription drugs?

By choosing a generic, you can save money on your copay in either the KingCareSM or Group Health plans. A generic drug contains the same active ingredients in the same dosage and strengths as the brand name drug, and they achieve the same medical effects as the brand name drug.

In the 2010-21012 benefits, the price to you for generics in the KingCareSM plan is even lower than in 2009--\$7 instead of \$10. The new copays structure will charge more for brand name drugs, especially those where a safe, generic alternative is available.

9. What is “progressive medication”?

Progressive medication is a **new program in the KingCareSM plan** especially for people who take prescription drugs regularly (maintenance medications) for ongoing conditions like pain and inflammation, high cholesterol, ulcer disease, sleep disorders, asthma, and high blood pressure. It helps you get a safe, effective medication to treat your condition while keeping costs as low as possible.

Generic drugs are usually the first-line drug. Generic drugs are proven safe, effective and affordable. These drugs should be tried first because they provide the same health benefit as more expensive drugs, at a lower cost.

Brand-name drugs are usually in the second and third line drugs. If your treatment requires a different medication, then the program moves you along to preferred and non-preferred brand name drugs. Brand-name drugs have higher copays.

Please note: **Only first time prescriptions for drugs that are in the progressive medication therapy classes subject to the progressive medication program. If you are already taking a second or third line medication before January 1, 2010 and stay on that drug for 130 days or more without a break you will continue getting that brand name prescription without going through the progressive medication process.**

10. Who decides what drugs are covered in the progressive medication program?

Progressive medication is developed under the guidance and direction of independent, licensed doctors, pharmacists and other medical experts. Together with Express Scripts (the company that handles prescription drugs in the KingCareSM plan) they review the most current research on thousands of drugs tested and approved by the FDA for safety and

effectiveness. Then they recommend appropriate prescription drugs for the progressive medication program.

11. What drugs are included in the progressive medication program?

There are 12 classes of prescription drugs included. Here is the list along with the health condition each class is used to treat: PPI (stomach acid conditions), Statin (high cholesterol), NSAID (arthritis/pain), Hypnotics (sleep disorders), Leukotrienes (allergies), ARB/ACE (heart and high blood pressure), Bisphosphonates (osteoporosis), Nasal Steroids (allergies), SSRI and Other Antidepressants (depression), Antivirals (viral infections), Non-sedating Antihistamines (allergies), and Overactive Bladder (overactive bladder.)

12. How does progressive medication work?

When a new prescription is presented to the pharmacist, the pharmacist looks to see what is covered. If the drug is not on the list of first-line list, **the pharmacist will call the physician** to discuss if the first-line drug is appropriate for you. Most of the time the pharmacist will reach the physician, and 1 of 2 things will happen: 1) the physician will write a new prescription for the lower cost front-line drug, or 2) the physician will complete a form to allow the back-up second or third line drug or contact Express Scripts at 1-800-417-8164. Occasionally, the pharmacist may not be able to reach the physician while the member is in the pharmacy. In all cases you will leave the pharmacy with either a full month's supply of an appropriate drug, or a small supply of medication to take while the prescription is being processed.

13. What happens if the pharmacist does not reach the physician or it takes the provider several days to complete paper work for a back-up drug?

Express Scripts will track the claim. If after 2 days there is no indication that a full prescription was filled for either first-line or back-up drug, a letter is sent to you and your physician explaining the progressive medication process and explaining available options.

14. What will Express Scripts do to make progressive medication successful?

- **Educate members:** Send a letter to each household explaining the progressive medication program, the process, and how to get assistance.
- **Educate pharmacists:** Send a fax about the progressive medication program to all pharmacies in the King County network.
- **Educate physicians:** Send letters about the progressive medication program to physicians who write the most prescriptions for KingCareSM members.

15. I'm already taking one of the progressive medication therapy drugs. Will this new program affect me?

No—only first time prescriptions for drugs that are in the progressive medication therapy classes will be checked by the progressive medication program. **If you are already taking a second or third line medication before January 1, 2010 and stay on that drug for 130 days or more without a break you will continue getting that brand name prescription without going through the progressive medication process.**

16. Why do the deductibles and co-insurance for KingCare go up for 2010 while the Group Health charges remain unchanged? Are you trying to move people to Group Health?

In designing the new benefits package, the Joint Labor Management Insurance Committee was very concerned about two things in particular--that there **not** be a premium share, and that changes needed to reach the \$37 million savings target for the 2010-2012 period have the smallest impact possible overall on employees. Given those two goals, it was a conscious decision to keep the Group Health plan at the 2009 level specifically to encourage enrollment in Group Health. Not only do Group Health clinics offer excellent care as shown in the Puget Sound Health Alliance Community Checkup Reports (see <http://www.wacomunitycheckup.org/>), the Group Health plan costs, on average, 20% -25% per employee per year less than the KingCare(SM) plan. Increasing the number of employees who chose Group Health will help us all reach the savings goal while ensuring affordable choices for everyone with some of the region's top-rated doctors and clinics.

Even though we are encouraging employees to enroll in Group Health, we made sure there are cost protections in the KingCare(SM) plan as well. The out-of-pocket maximum for the coinsurance on medical will be the same in 2010-2012 as it is in 2009; the copay on generic drugs has dropped from \$10 to \$7; and there will be a new annual out-of-pocket maximum on prescription drugs of \$1,500 per individual, \$3,000 per family (there is no limit in 2009.)